

ASH GROVE CEMENT COMPANY

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RECEIVED
SEP 09 2003
DIV. OF OIL, GAS & MINING

September 8, 2003

D. Wayne Hedberg
Minerals Regulatory Program
Division of Oil, Gas and Mining
Utah Department of Natural Resources
PO Box 145801
Salt Lake City, Utah 84114-5801

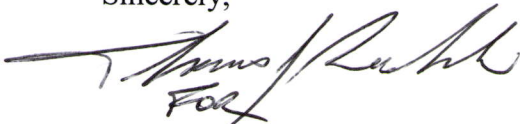
RE: Nielson Sandstone Mine NOI Revisions – Current Permit number M/023/012

Dear Mr. Hedberg:

Attached please find the revised bond calculations that were requested in the DOGM comments. These were inadvertently left out of the revision package submitted on September 8, 2003.

We look forward to hearing from you and please do not hesitate to contact me at (435) 857-1208 if you have any questions or comments regarding this submittal.

Sincerely,



Aaron Bufmack
Assistant Plant Engineer
Ash Grove Cement, Leamington, UT

Encl.: Revised Pages of Revised Notice of Intention to Commence Large Mining
Operations – Nielson Sandstone Mine
CC: Tom Suchoski, Earthfax Engineering

TABLE 113-1a

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE PIT 1 - SLOPE RECLAMATION

[illegible]

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

[illegible]

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

Notes and Assumptions

Production and rental rates assume 5 10-hour work days per week and 22 work days per month. Rental time has been rounded up to the nearest quarter month. The operating costs are based on the hours needed by the equipment to move the specified amount of material. Some double handling of the material is assumed. Rental and operation rates for the scrapers, dozers, excavator, trucks, etc. were obtained from Wayne Western of the Utah Division of Oil Gas and Mining. Assumes 13,628 CY of cut and the same amount of fill. Assumes 6,176 CY of topsoil from the stockpile and an additional 8,300 in the berms above the slopes. 8,300 CY dozed into place from berms above slopes. All fill is assumed dozed into place after being moved by truck although some will just be dozed into place. Ripper production using the Cat Handbook is estimated to be 1750 CY/hr assuming a seismic velocity of 3 ft/sec x 1000 Dozer production for a D8R dozer with a U-blade and a 150' haul on a 2:1 slope for contouring is 170 CY/hr based on the Caterpillar Performance Handbook. (production used for 6,176 CY of topsoil pushed up slope) Dozer production for a D8R dozer with a U-blade and a 150' haul pushing topsoil down slope is 840 CY/hr based on the Caterpillar Performance Handbook. (production used to move 8300 CY of topsoil from berms) Dozer production for a D8R dozer with a U-blade ripping and pushing downhill to a FEL is assumed to be 840CY/hr. Dozer production for a D8R dozer with a U-blade rippling and pushing downhill to a FEL is assumed to be 350 CY/hr. (this takes into account work on slopes) Average dozer production for a 345BL excavator assuming a 75% efficiency is 450 CY/hr for loading trucks and excavating channels Cat 988F FEL production for loading trucks assuming 83% efficiency is 540 CY/hr. The production for 46 CY trucks assumes 5.5 round trips per hour or 270 CY/hr/truck. The cost calculation assumes 2 trucks operating at the same time to keep the FEL efficient. Surveying is not required full time. Assume that 1 day of surveying by a 2 man crew is needed. This calculation assumes 1 month will be spent to reclaiming the pit slopes. A foreman and pickup truck for the entire project were accounted for in the backfill and grading section. The water truck was accounted for in the demolition section. THE HANDLING AND PLACEMENT OF TOPSOIL IS INCLUDED IN THE EXCAVATION - BACKFILL AND GRADING Channel construction is included in backfill and grading costs since it only involves grading since there is no riprap or erosion control matting required

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

[illegible]

TABLE 113-1b

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE PIT 1 - FLOOR RECLAMATION

Item No.	Description	Quantity	Unit	Material Cost		Equipment Cost		Labor Cost		Project Cost	
				Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
DEMOLITION											
Note: Unless otherwise noted, no salvage value was considered for any of this equipment. (a) Means Heavy Construction Cost Data, 2000 increased by 9% to inflate to 2003 costs (b) A Day is assumed to be 10 hours unless otherwise noted (c) Dataquest Bluebook rates provided by Wayne Western of DOGM Coal Division											
1	Asphalt Demolition										
	2 1/2 CY Hydraulic Excavator (bluebook 3Q02, pg10-8)										
	Asphalt removal - 26,367 SY x 6" = 4,394 CY	0.50	MO			9,205.00	4,602.50			9,205.00	4,602.50
	Excavator Operating Cost	100.00	HRS					80.90	8,090.00	80.90	8,090.00
	Hauling asphalt to off-site landfill in 16.5 CY trucks (02320-200-1130 and 02320-200-4700)	267.00	RT			272.36	72,720.12			272.36	72,720.12
	Assume \$1.50/mile beyond the first 20 miles										
	Tipping fees	267.00	LOAD			100.00	26,700.00			100.00	26,700.00
	Cost to dump at the Juab County Landfill for a truck and trailer with a load over 5 tons										
2	Installation of Silt fence (2370-550-1100)	550.00	LF	0.33	0.66			0.40	220.00	0.73	401.50
3	Removal of silt fence										
	Assume the same labor needed to remove as to install	550.00	LF					0.40	220.00	0.40	220.00
4	Water Truck for Reclamation Project (01590-400-7000)	0.50	MO			3,270.00	1,635.00	4,510.00	2,255.00	7,760.00	3,890.00
	assume half time driver and oper. cost at \$205/day										
	Assume 22 operating days per month 8 hours per day										
DEMOLITION TOTAL											116,624.12

NIEI SON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

[illegible]

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

Notes and Assumptions

Production and rental rates assume 5 10-hour work days per week and 22 work days per month. Rental time has been rounded up to the nearest tenth of a month. The operating costs are based on the hours needed by the equipment to move the specified amount of material. Some double handling of the material is assumed. Rental and operation rates for the scrapers, dozers, excavator, trucks, etc. were obtained from Wayne Western of the Utah Division of Oil Gas and Mining. Assumes the remaining 18,824 CY of topsoil in the stockpile are hauled to the pits by truck.

Ripper production using the Cat Handbook is estimated to be 1750 CY/hr assuming a seismic velocity of 3 ft/sec x 1000

Dozer production for a D8R dozer with U-blade and a 100' haul on a flat slope for spreading topsoil is 560 CY/hr based on the Caterpillar Performance Handbook.

Dozer production for a D8R dozer with a U-blade ripping and pushing 300' on relatively flat ground is assumed to be 210 CY/hr.

Excavator production for a 345BL excavator assuming a 75% efficiency is 450 CY/hr for loading trucks with topsoil from a stockpile and excavating channels

Cat 988F FEL production for loading trucks assuming 83% efficiency is 540 CY/hr.

The production for 46 CY trucks assumes 4 round trips per hour or 184 CY/hr/truck. The cost calculation assumes 2 trucks operating at the same time. Surveying is not required full time. Assume that 1 day of surveying by a 2 man crew is needed.

This calculation assumes 0.5 months will be spent to reclaiming the pit and the access road.

A foreman and pickup truck for the entire project were accounted for in the backfill and grading section.

The water truck was accounted for in the demolition section.

THE HANDLING AND PLACEMENT OF TOPSOIL IS INCLUDED IN THE EXCAVATION - BACKFILL AND GRADING

Channel construction is included in backfill and grading costs since it only involves grading since there is no riprap or erosion control matting required

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

TABLE 113-2

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE PIT 2

[illegible]

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

TABLE 113-2

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE PIT 2

Notes and Assumptions

Production and rental rates assume 5 10-hour work days per week and 22 work days per month. Rental time has been rounded up to the nearest quarter month. The operating costs are based on the hours needed by the equipment to move the specified amount of material. Some double handling of the material is assumed. Rental and operation rates for the scrapers, dozers, excavator, and trucks were obtained from Wayne Western of the Utah Division of Oil Gas and Mining. All topsoil stripped and stockpiled will be spread during final reclamation. Ripper production using the Cat Handbook is estimated to be 1750 CY/hr assuming a steamic velocity of 3 ft/sec x 1000 Dozer production for a D8R dozer with a U-blade and a 100' haul on a flat slope for contouring is 740 CY/hr based on the Caterpillar Performance Handbook. Excavator production for a 345BL excavator assuming a 75% efficiency is 450 CY/hr for loading trucks and excavating channels Cat 988F FEL production for loading trucks assuming 83% efficiency is 540 CY/hr. The production for 46 CY trucks assumes 3.5 round trips per hour or 161 CY/hr/truck. The cost calculation assumes 3 trucks operating at the same time to keep the FEL efficient. Surveying is not required full time. Assume that 2 days of surveying by a 2 man crew is needed. This calculation assumes 1 month will be spent to reclaiming the pit and the access roads. A foreman and pickup truck for the entire project were accounted for in the backfill and grading section. The water truck was accounted for in the demolition section. THE HANDLING AND PLACEMENT OF TOPSOIL IS INCLUDED IN THE EXCAVATION - BACKFILL AND GRADING

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

TABLE 113-2

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE PIT 2

[illegible]

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

TABLE 113-2

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE PIT 2

Item No.	Description	Quantity	Unit	Material Cost		Equipment Cost		Labor Cost		Project Cost	
				Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
DEMOLITION											
Note: Unless otherwise noted, no salvage value was considered for any of this equipment. (a) Means Heavy Construction Cost Data, 2000 increased by 9% to inflate to 2003 costs (b) A Day is assumed to be 10 hours unless otherwise noted (c) Dataquest Bluebook rates provided by Wayne Western of DOGM Coal Division											
1	Asphalt Demolition										
	2 1/2 CY Hydraulic Excavator (bluebook 3Q02, pg10-8)										
	Asphalt removal - 14,750 SY x 6") = 2,458 CY	0.25	MO		9,205.00		2,301.25			9,205.00	2,301.25
	Excavator Operating Cost	50.00	HRS					80.90	4,045.00	80.90	4,045.00
	Hauling asphalt to off-site landfill in 16.5 CY trucks	149.00	RT		272.36		40,581.64			272.36	40,581.64
	(02320-200-1130 and 02320-200-4700)										
	Assume \$1.50/mile beyond the first 20 miles										
	Tipping fees	149.00	LOAD		100.00		14,900.00			100.00	14,900.00
	Cost to dump at the Juab County Landfill for a truck and trailer with a load over 5 tons										
2	Water Truck for Reclamation Project (01590-400-7000) assume half time driver and oper. cost at \$205/day Assume 22 operating days per month 8 hours per day	1.00	MO		3,270.00		3,270.00	4,510.00	4,510.00	7,780.00	7,780.00
3	Culvert Removal										
	24" CMP (02220-875-2960 x 0.5)	50.00	LF		0.92		46.00	2.63	131.50	3.55	177.50
	48" CMP (02220-875-3000 X 1.33 X 0.5)	75.00	LF		1.64		123.00	4.66	349.50	6.30	472.50
The unit cost for pipe removal in the Means catalog is for a concrete sewer pipe. Removal of CMP and HDPE pipe is much easier than removal of concrete pipe. Therefore, the unit demolition cost will be multiplied by 0.5. Also Means does not have a removal cost for pipe above a 36" diameter. Hence the unit cost will be multiplied by a factor if the pipe is larger											
4	Excavation for 30" culverts										
	(3' wide X 4' deep X 50 LF) = 23 CY										
	(02315-900-0060) ½ CY tractor loader/backhoe	23.00	CY		1.53		35.19	2.24	51.52	3.77	86.71
	Excavation for 36" culverts										
	(4.5' wide X 4' deep X 75 LF) = 50 CY										
	(02315-900-0060) ½ CY tractor loader/backhoe	50.00	CY		1.43		71.50	2.08	104.00	3.51	175.50
	Backfilling for all culverts included in rough grading										
DEMOLITION TOTAL											70,520.10

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NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE

TABLE 113-2

NIELSON SANDSTONE QUARRY RECLAMATION BOND COST ESTIMATE PIT 2

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